

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: Assessing Officials and Vendors

FROM: Barry Wood, Assessment Division Director *g3w*

RE: 2013 Soil Productivity Factors

DATE: January 29, 2013

In 2012, as part of the March 1, 2012 statewide general reassessment, the Department of Local Government Finance (the "Department"), issued guidance regarding updated Soil Productivity Factors that were to be used for the reassessment (see http://www.in.gov/dlgf/files/120202_Soil_Productivity_Factor_Update.pdf and [http://www.in.gov/dlgf/files/Soil_Productivity_Factors_\(1-12-12\).xls](http://www.in.gov/dlgf/files/Soil_Productivity_Factors_(1-12-12).xls)). The 2012 Indiana General Assembly passed legislation delaying the implementation of the updated factors (see http://www.in.gov/dlgf/files/120316_Soil_Productivity_Factor_Changes.pdf). Specifically, Indiana Code 6-1.1-4-13 (b)(2), was amended to read:

"However, notwithstanding the availability of new soil productivity factors and the department of local government finance's notice of the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map for the March 1, 2012, assessment date, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the March 1, 2012, assessment date. New soil productivity factors shall be used for assessment dates occurring after March 1, 2012."

As assessing officials prepare for the March 1, 2013 assessment date, there is a possibility that legislation may continue to delay the implementation of the updated Soil Productivity Factors, require different factors, or change the formula for updating the factors. Legislation has been introduced and heard in legislative committee hearings last week. Since the legislature is required to adjourn by April 29, 2013, and some annual adjustment ratio studies may have been submitted and approved by that date, until the Indiana Code is changed, assessing officials and vendors should proceed with using the factors previously introduced by the Department for the March 1, 2012 assessment date (see [http://www.in.gov/dlgf/files/Soil_Productivity_Factors_\(1-12-12\).xls](http://www.in.gov/dlgf/files/Soil_Productivity_Factors_(1-12-12).xls)). However, depending on legislative action and timing, assessing officials and vendors should be prepared to possibly retroactively change productivity factors and subsequent values.

Questions on this memorandum may be directed to Barry Wood, Assessment Division Director, at Bwood@dlgf.in.gov, or (317) 232-3762.